

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 2785 - HB 3252

February 23, 2010

SUMMARY OF BILL: Grants special consideration for veteran owned businesses, similar to consideration given to women-owned businesses, in the awarding and procuring of state contracts.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$1,000/One-Time
\$54,900/ Recurring**

Assumptions:

- According to the Department of General Services, there are 548 veteran owned businesses in Tennessee that have been identified by the Department of Veterans Affairs.
- This represents a 41 percent increase in the number of certified businesses.
- The provisions of the bill would also apply to qualifying out of state businesses.
- According to the Department of General Services, the Governor's Office of Diversity Business Enterprise (GO-DBE) would be required to certify all businesses that apply, identify procurement opportunities, track, and report all purchases and awards made to such businesses.
- The GO-DBE would need one additional Diversity Business Liaison to absorb the increased workload. The recurring cost of this position is estimated to be \$54,896 for salary and benefits; and one-time costs are estimated to be \$950 (\$650 for a PC workstation and \$300 for a telephone).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White".

James W. White, Executive Director

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